

STATE OF ILLINOIS  
ILLINOIS COMMERCE COMMISSION

North Shore Gas Company	:	10-0090
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The Peoples Gas Light	:	
and Coke Company	:	
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	:	
Petition for Approval of the On-Bill	:	
Financing Program	:	

**REPLY BRIEF ON EXCEPTIONS OF THE STAFF  
OF THE ILLINOIS COMMERCE COMMISSION**

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May 3, 2010

## Table of Contents

I.	BACKGROUND .....	1
II.	REPLY TO AG.....	2
III.	CONCLUSION.....	3

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North Shore Gas Company	:	10-0090
	:	
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Staff (“Staff”) of the Illinois Commerce Commission (“Commission” or “ICC”), by and through its undersigned counsel, pursuant to Section 10-111 of the Public Utilities Act (the “PUA” or “Act”), respectfully submits its Reply Brief on Exceptions (“Reply Brief on Exceptions” or “RBOE”) in the instant proceeding.

**I. BACKGROUND**

On July 10, 2009 the Governor signed Senate Bill 1918 into law creating Public Act 96-0033 (“SB 1918”). SB 1918 added, among other additions, Sections 16-111.7 (the “Electric On-Bill Financing Law”) and 19-140 (the “Gas On-Bill Financing Law”) to the PUA, requiring those electric and gas utilities, respectively, serving more than 100,000 customers on January 1, 2009, to create programs that “will allow utility customers to purchase cost-effective energy efficiency measures with no required initial upfront payment, and to pay the cost of those products and services over time on their

utility bill.” (220 ILCS 5/16-111.7(a), 220 ILCS 5/19-140(a); The Electric On-Bill Financing Law and the Gas On-Bill Financing Law are sometimes collectively referred to herein as the “OBF Laws”).

Both the Electric On-Bill Financing Law and the Gas On-Bill Financing Law required the affected utilities to submit proposals on or before February 2, 2010. On February 2, 2010, North Shore Gas Company and The Peoples Gas Light and Coke Company (collectively the “Companies” or “Peoples/NS”) filed their Petition, Direct Testimony, and Program Design Document (“PDD”) (collectively, these filings are sometimes herein referred to as the “Proposal”), pursuant to both the Electric On-Bill Financing Law and the Gas On-Bill Financing Law, establishing this docket.<sup>1</sup> The following parties filed Petitions to Intervene in this docket: The Citizens Utility Board (“CUB”), the City of Chicago (“City”), the People of the State of Illinois (“AG”), and the Illinois Competitive Energy Association (“ICEA”).

On April 16, 2010, the Administrative Law Judge issued a proposed order (the “Proposed Order”) in this docket. Staff, the AG, Peoples/NS and CUB/City filed Briefs on Exception on April 28, 2010. This Reply Brief on Exception follows.

## **II. REPLY TO AG**

In its BOE, the AG requests oral argument pursuant to Section 9-201(c) of the PUA. The AG asks for three topics to be covered: “Budget Cap (to

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<sup>1</sup> The petition of Northern Illinois Gas Company (“Nicor”) established Docket No. 10-0096; the petition of Commonwealth Edison (“ComEd”) established Docket No. 10-0091; and the petition of AmerenCILCO/AmerenCIPS/AmerenIP (“Ameren”) established Docket No. 10-0095 (these additional dockets addressing the Electric On-Bill Financing Law or the Gas On-Bill Financing Law are sometimes hereinafter referred to as the “Companion Dockets”).

estimated program costs), Underwriting Criteria (credit checks), and Security Interest.” (AG BOE, at 1.) Section 9-201(c) states:

The utility, the staff of the Commission, the Attorney General, or any party to a proceeding *initiated under this Section* who has been granted intervenor status and submitted a post-hearing brief must be given the opportunity to present oral argument, if requested no later than the date for filing exceptions, on the propriety of any proposed rate or other charge, classification, contract, practice, rule, or regulation.

220 ILCS 5/9-201(c), emphasis added.

This docket and the Companion Dockets were initiated under Sections 19-140 and/or 16-111.7 of the Act, not under Section 9-201(c), as required by the above language (nor under Article 9 generally). Consequently, it is Staff’s belief that the Gas and Electric On-Bill Financing Laws do not give rise to an automatic right of oral argument. However, it is of course within the Commission’s discretion to allow oral argument at any time, on any subject.

### **III. CONCLUSION**

Staff recommends that the Commission issue an Order in this Docket and the Companion Dockets consistent with the recommendations set forth herein.

Respectfully submitted,

/s/  
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